

**GOVERNMENT OF TELANGANA
ABSTRACT**

ITE&C Department - Mobile Manufacturing Policy of Industries & Commerce Department - Incentives - Sanction and Release of an amount of Rs.3,90,00,000/- (Rupees Three Crores Ninety Lakhs only) in favour of M/s Bhagwati Products Limited, Hyderabad towards Reimbursement of Interest Subsidy, Investment Subsidy, Power Cost - Orders - Issued.

**INFORMATION TECHNOLOGY, ELECTRONICS & COMMUNICATIONS (Electronics)
DEPARTMENT**

G.O.Rt.No. 38

Dated: 15-03-2018

Read the following:

1. G.O.Ms.No.28, Industries & Commerce (IP) Department Dt:29.11.2014.
2. G.O.Ms.No.70, Industries & Commerce (IP) Department Dt:29.09.2015.
3. G.O.Ms.No.71, Industries & Commerce (IP) Department Dt:29.09.2015.
4. Lr.No.30/1/2017/4434, Dt:19.12.2017 from Commissioner of Industries addressed to M/s Bhagwati Products Limited.
5. Lr.No.30/1/2017/44338, Dt:21.12.2017 from Commissioner of Industries addressed to M/s Bhagwati Products Limited.
6. Lr.No.COI/516/MO/SIA/2016, Dt:21.12.2017 from Commissioner of Industries addressed to M/s Bhagwati Products Limited.
7. Lr.No.COI/516/MO/SIA/2016, Dt:21.12.2017 from Commissioner of Industries addressed to M/s Bhagwati Products Limited.
8. Lr.No. 30/1/2017/44345, Dt:22.12.2017 from Commissioner of Industries addressed to M/s Bhagwati Products Limited.
9. G.O.Rt.No.756, Finance (EBS.I) Department dt:27.04.2017.
10. U.O.Note.No.122/ITE&C/Budget/2017, dt:03.05.2017.
11. G.O.Rt.No.1486, Finance (EBS.I) Department, Dt:23.08.2017

ORDER:

Government in the Mobile Manufacturing Policy issued vide G.O. 2nd read above have ordered for provision of tailor made benefits to Mobile Manufacturers.

2. As per Mobile Manufacturing Policy issued vide G.O.Ms.No.70, Industries & Commerce (IP) Department, dt: 29.09.2015, the Mobile Manufacturing Companies are eligible for reimbursement of Interest Subsidy, Investment Subsidy, Power Cost for a period of 5 years from the date of commencement of production for products made and sold in the State. The date of commencement of commercial operations of the company is 12th February, 2016.

3. As per G.O.Ms.No.71, Industries & Commerce (IP) Department Dt:29.09.2015 issued, allotment of 18.669 Acres at Fabcity (Ecity) in the Electronics Manufacturing Cluster (EMC) on cost basis and offering other incentives to M/s Bhagwati Products Limited (Micromax) for setting up manufacturing of Mobile Phone Instruments and its accessories.

4. In pursuance of Orders vide G.O. 2nd and 3rd read above, M/s Bhagwati Products Limited, Hyderabad has filed applications to Industries and Commerce Dept for claiming reimbursement of Interest Subsidy, Investment Subsidy, Power Cost. All the applications has been thoroughly scrutinized by the Commissioner of Industries and has approved it. The said applications were placed in the 18th SLC meeting and SLC has recommended for reimbursement of Interest Subsidy, Investment Subsidy, Power Cost to M/s Bhagwati Products Limited, Hyderabad

5. Vide 4th read above, the Deputy Director, Commissioner of Industries, has informed to the company that they have been sanctioned an amount of Rs.3,33,08,617/- towards Investment Subsidy under the scheme of T-IDEA.

(Contd... P2)

6. Vide 5th read above, the Deputy Director, Commissioner of Industries, has informed to the company that they have been sanctioned an amount of Rs.7,01,184/- towards reimbursement of Power Cost for the period 2nd H.Y. of 2015-16 and 1st H.Y of 2016-17 under the scheme of T-IDEA.

7. Vide 6th read above, the Additional Director, Commissioner of Industries, has informed to the company that they have been sanctioned the reimbursement of interest subsidy under pavala Vaddi Scheme for an amount of Rs.37,33,002/- to the captioned unit for the under the scheme of T-IDEA.

8. Vide 7th read above, the Additional Director, Commissioner of Industries, has informed to the company that they have been sanctioned the reimbursement of Power Cost of Rs.4,05,812/- to the captioned unit for the under the scheme of T-IDEA.

9. Vide 8th read above, the Deputy Director, Commissioner of Industries, has informed to the company that they have been sanctioned and amount of Rs.47,11,987/- towards reimbursement of Interest Subsidy (Pavala Vaddi) for the period 2nd H.Y. of 2015-16 and 1st H.Y. of 2016-17 under the scheme of T-IDEA.

10. As such, from the above letters 4 to 8 read above, the amount to be reimbursed to M/s.Bhagwati is as mentioned below:

SL.No.	Incentive	Amount
1	Power cost (7,01,184+4,05,812)	11,06,996
2	Interest subsidy (37,33,002+47,11,987)	84,44,989
3	Investment subsidy	3,33,08,617
	Total	4,28,60,602

11. The total amount for all subsidies Rs.4,28,60,602 towards M/s Bhagwati products Limited is a Mega Unit.

12. It has been decided that the said amount will be reimbursed from the ITE&C Dept budget from the Subsidies Head of Account.

13. In the G.O. 9th and 11th read above, the Finance Department has released BRO to ITE&C Dept for the 1st and 2nd quarter for the Financial Year 2017-18 under the Head of Account:330 - Subsidies for an amount of Rs.6 crores. Out of the said amount, an amount of Rs.3,90,00,000/- is available.

14. In this regard, it is proposed to reimburse the claim to M/s Bhagwati Products Limited on instalment basis due to insufficient funds. As such, the 1st instalment can be given as Rs.3,90,00,000/- (Rupees Three Crores Ninety Lakhs only).

15. Taking into consideration the recommendations of SLC Meeting vide 4th – 8th read above, Government after careful consideration, hereby sanction and release an amount of Rs.3,90,00,000/- (Rupees Three Crores Ninety Lakhs only) in favour of M/s Bhagwati Products Limited, Hyderabad towards 1st installment of reimbursement of Interest Subsidy, Investment Subsidy, Power Cost.

16. The amount sanctioned in Para.7 above shall be debited to the following Head of Account:

3451	: Secretariat Economic Services
MH 090	: Secretariat
GH (25)	: State Sector Schemes
SH (22)	: ITE&C Department
330	: Subsidies

(Contd....P3)

17. The Assistant Secretary to Government & D.D.O., ITE&C Department shall draw the amount of Rs.3,90,00,000/- (Rupees Three Crores Ninety Lakhs only) sanctioned in Para.7 above and arrange for payment duly applying the TDS in favour of M/s Bhagwati Products Limited, Hyderabad.

18. M/s Bhagwati Products Limited, Hyderabad shall submit an advance stamped receipt for Rs.3,90,00,000/- (Rupees Three Crores Ninety Lakhs only) to this Department in duplicate.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF TELANGANA)

JAYESH RANJAN
PRINCIPAL SECRETARY TO GOVERNMENT

To

M/s Bhagwati Products Limited, Hyderabad.

The Prl.secretayr, Industries and Commerce Department

The Commissioner of Industries and Commerce Department

The VC & MD, TSIIIC Ltd, Hyderabad

The Accountant General (Audit), Telangana, Hyderabad

The Accountant General (A&E), Telangana, Hyderabad

The Director of Treasuries and Accounts, Telangana, Hyderabad

The District Treasury Officer, Urban, Hyderabad

The Pay and Accounts Officer, Telangana, Hyderabad

The Resident Audit Officer O/o Pay and Accounts Officer, Telangana, Hyderabad

The Assistant Secretary to Government & DDO, ITE&C Department

Copy to:

Fin. (EBS.I) Department

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// FORWARDED :: BY ORDER //

SECTION OFFICER